

QUIET VALLEY LIVING HISTORICAL FARM

BY-LAWS

PREAMBLE

Quiet Valley Living Historical Farm is a non-profit educational institution dedicated to the development of Quiet Valley Farm, a humble and authentic Pennsylvania farm homestead dating from 1765. Activities at Quiet Valley are centered on the education and recreation of children and adults participating in a creative way in the many facets of early agriculture and humble farm life - thus establishing a link between the past and present.

ARTICLE I. NAME OF ORGANIZATION

Section 1. Name

The "Corporation" shall mean: Quiet Valley Living Historical Farm, its successors and assigns. The Board of Directors may designate other names for specific activities and programs as it deems appropriate. The principal office shall be located at 347 Quiet Valley Road, Stroudsburg, PA 18360.

Section 2. Board

The "Board" shall mean the Board of Directors of the Corporation.

ARTICLE II. CORPORATE PURPOSE

Section 1. Nonprofit Purpose

This Corporation is organized exclusively for educational purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

The general purpose of the Corporation shall be to promote and encourage historical research and interests; to acquire by purchase, gift, devise or otherwise the title to, or the custody and control of, historical sites and places and land adjacent thereto and reasonable necessary to preservation and protection of buildings and sites of local historical interest; and to generally foster and promote public knowledge of and interest in sites of local historical and cultural significance; with particular reference to preserving the dignity and beauty of the Beaver Valley area of Monroe County, Pennsylvania, and the nearby Quiet Valley Living Historical Farm. Donations to the Corporation, which are considered artifacts or otherwise, are gratefully accepted and appreciated. The use or sale of these items will be determined by the Board of Directors of the Corporation.

Section 2. Specific Purpose

The further and specific and limiting purpose or purposes for which the Corporation is organized are to receive and maintain a fund of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income there from and the principal thereof exclusively for charitable, religious, scientific, literary, or educational purposes either directly or by contributions to organizations that qualify as exempt organizations under Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may hereinafter be amended.

Section 3. Governing Instruments

The Corporation shall be governed by its Articles of Incorporation and its By-laws.

Section 4. Limitations on Activities

- a. No part of the activities of the Corporation shall consist of participating in, or intervening in, any political campaign on behalf of or in opposition to any candidate for public office, nor shall the Corporation operate a social club or carry-on business with the general public in a manner similar to an organization operated for profit.
- b. No part of the net earnings of the Corporation shall inure to the benefit of any Director of the Corporation, officers of the Corporation or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes).
- c. The Corporation shall distribute its income for each taxable year at such time and in such manner as not to become subject to tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.
- d. The Corporation shall not engage in any act of self-dealing as defined in Section 4941(d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.
- e. The Corporation shall not retain any excess business holdings as defined in Section 4943(c) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.
- f. The Corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.
- g. The Corporation shall not make any taxable expenditures as defined in Section 4945(d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent federal tax laws.
- h. Notwithstanding any other provisions of the Articles of Incorporation, the Corporation shall not conduct or carry on any activities not permitted to be conducted or carried on by an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended, or by any organization, contributions to which are deductible under Section 170(c)(2) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended.

ARTICLE III. MEMBERSHIP

Section 1. Eligibility for Membership

- a. Any individual or group subscribing to the aims and purposes of the Corporation shall be admitted to membership in the Corporation. Payment of dues shall be in accordance with the classifications and fees established by the Board of Directors. Memberships shall run for twelve (12) months from the end of the month payment is received. Failure to pay dues shall result in immediate loss of membership privileges. Members with fees past due shall receive written reminder of renewal at his/her last known address within ninety (90) days of expiration of membership.
- b. The Board of Directors may request the resignation of any member, individual, organization or Corporation, whose activities are deemed not consistent with the objectives of the Corporation.
- c. The Corporation's membership list and records are the property of Quiet Valley and are not to be made available to any other individual or organization.

Section 2. Annual Dues

The amount required for annual dues shall be set by the Board for regular individual membership by a majority vote at any regular or special meeting. Continued membership is contingent upon being up-to-date on membership dues. The Board reserves the right to structure different levels of memberships for students, seniors, families, and grand-families. The Board may change these dues by a majority vote of the Board at any regular or special meeting.

Section 3. Rights of Members

Each member shall be eligible to appoint one voting representative to cast the member's vote in association elections.

Section 4. Resignation and Termination

Any member may resign by filing a written resignation with the secretary. Resignation shall not relieve a member of unpaid dues, or other charges previously accrued. A member can have their membership terminated by a majority vote of the membership.

Section 5. Non-voting Membership

The Board shall have the authority to establish and define non-voting categories of membership.

ARTICLE IV. MEETINGS OF MEMBERS

Section 1. Annual Meetings

The annual meeting of the members shall be held at least once annually. The annual meeting of the members shall take place in the month of May, the specific date, time and location of which will be designated by the chair. At the annual meeting, the members shall elect Directors and officers, receive reports on the activities of the association, and determine the direction of the association for the coming year. Notice of these meetings shall be sent to all members of the Board of Directors no less than seven (7) days, prior to the meeting date.

Section 2. Special Meetings

Special meetings may be called by the chair, the Executive Committee, or a simple majority of the Board of Directors. A petition signed by twenty (20) or more of voting members may also call a special meeting.

Section 3. Notice of Meetings

Seven days' notice of each meeting shall be given to each member.

Section 4. Quorum

A quorum shall consist of ten per cent (10%) of the current membership age eighteen (18) years or older.

Section 5. Voting

All issues to be voted on shall be decided by a simple majority of those present at the meeting in which the vote takes place. Each member of age eighteen (18) years or older shall be entitled to one (1) vote.

ARTICLE V. BOARD OF DIRECTORS

Section 1. General Powers

The affairs of the Corporation shall be managed by its Board of Directors. The Board of Directors shall have control of and be responsible for the management of the affairs, property, and business of the Corporation.

Section 2. Number, Tenure, Requirements, and Qualifications

- a. Directors shall be members of the Corporation in good standing. A Director may not receive a salary from the Corporation or its operations except in special cases by unanimous vote of those in attendance at the Board meeting when the question is raised. No employee of Quiet Valley Living Historical Farm may serve on the Board of Directors.
- b. There shall be eighteen (18) Directors who shall be elected by a majority vote at the Annual Meeting in three (3) year cycles and shall hold office for three (3) years, or until their successors are elected and take office. One-third (1/3) of the total number shall be elected each year at the Annual Meeting of the Corporation, except that if vacancies occur in the Board, such vacancy may be filled for the unexpired term by a majority vote of the remaining Directors. Newly elected Directors terms begin at the close of the Annual Meeting. Retiring Directors terms expire at the close of the Annual Meeting, except for the officers.
- c. After two 3-year terms, a Director shall be ineligible to serve on the Board of Directors until one (1) year has elapsed. Any portion of a term shall be considered as one (1) full term. A Director may be terminated from the Board due to excess absences, more than two (2) unexcused absences from Board meetings in a year.
- d. Each member of the Board of Directors shall attend at least five (5) monthly meetings of the Board per year.
- e. The President of the Corporation shall be Chairman of the Board of Directors with all the privileges, but with the right to vote only in case of a tie.

Section 3. Special Meetings

Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) members of the Board of Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any location, as the place for holding any special meeting of the Board called by them.

Section 4. Notice

Notice of any special meeting of the Board of Directors shall be given at least two (2) days in advance of the meeting by telephone, facsimile, or electronic methods or by written notice. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

Section 5. Quorum

A quorum at all meetings of the Board shall consist of one-third (1/3) to the nearest whole number of the Directors then in office to transact business, but a lesser number shall have power to adjourn to a specified later date without notice. The act of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by these By-Laws.

Section 6. Voting

At all meetings of the Board, each Director shall have one (1) vote. In the event that there is a tie in any vote, the President shall have an additional vote to be the tie-breaker.

Section 7. Adjournment

A meeting of the Board of Directors may be adjourned. Notice of the adjourned meeting or of the business to be transacted there, other than by announcement at the meeting at which the adjournment is taken, shall not be necessary. At an adjourned meeting at which a quorum is present, any business may be transacted which could have been transacted at the meeting originally called.

Section 8. Participation by Telephone or Electronic Device

Any single or more members of the Board or any committee thereof may participate in a meeting of the Board or such committee by means of a conference telephone or similar communications equipment, in situations dictated by the Executive Committee (i.e. pandemics, weather, etc.) allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting. A member participating by telephone may count toward a quorum.

Section 9. Proxy Voting

There shall be no proxy voting. Upon a vote of two-third members then sitting, the Board may allow proxy voting on a specific resolution, provided that a copy of the resolution shall be distributed to members at least thirty (30) days prior to the meeting at which proxy voting on the resolution is proposed.

Section 10. Forfeiture

Any member of the Board of Directors who fails to fulfill any of his or her requirements as set forth in Section 2 of this Article by December 1st shall automatically forfeit his or her seat on the Board. The Corresponding Secretary shall notify the Director in writing that his or her seat has been declared vacant, and the Board of Directors may forthwith immediately proceed to fill the vacancy. Members of the Board of Directors who are removed for failure to meet any or all of the requirements of Section 2 of this Article are not entitled to vote at the annual meeting and are not entitled to the procedure outlined in Section 18 of this Article in these By-Laws.

Section 11. Vacancies

Whenever any vacancy occurs in the Board of Directors, it shall be filled without undue delay by a majority vote of the remaining members of the Board of Directors at a regular meeting. Vacancies may be created and filled according to specific methods approved by the Board of Directors.

Section 12. Compensation

Members of the Board of Directors shall not receive any compensation for their services as Directors.

Section 13. Informal Action by Directors

Any action required by law to be taken at a meeting of the Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by two-thirds (2/3) of all of the Directors following notice of the intended action to all members of the Board of Directors.

Section 14. Confidentiality

Directors shall not discuss or disclose information about the Corporation or its activities to any person or entity unless such information is already a matter of public knowledge, such person or entity has a need to know, or the disclosure of such information is in furtherance of the Corporations' purposes, or can reasonably be expected to benefit the Corporation. Directors shall use discretion and good business judgment in discussing the affairs of the Corporation with third parties. Without limiting the foregoing, Directors may discuss upcoming fundraisers and the purposes and functions of the Corporation, including but not limited to accounts on deposit in financial institutions.

Each Director shall execute a confidentiality agreement annually consistent herewith upon being voted onto and accepting appointment to the Board of Directors.

Section 15. Advisory Council

- a. There shall be an Advisory Board to make recommendations on the philosophy, goals

- and well-being of the Corporation and its operations.
- b. Permanent members of the Advisory Board shall be Sue Oiler, Gary Oiler, Nathan Oiler, Ellen Oiler, Amy Stahlman, and past presidents of the Corporation.
 - c. A statement of intent to remain active on the Advisory Board shall be required from each member at the Annual Meeting. A member may be reinstated after a year or more absence.
 - d. Members shall be nonvoting members of the Board of Directors unless duly elected to the Board of Directors.
 - e. The Advisory Board shall select a chairman from its own members, may invite others to consult and participate in its deliberations, and determine its rules of procedure and the notice to be given of its meetings.
 - f. A member of the Advisory Board may report to the Board of Directors at each meeting. Formal recommendations of the Advisory Board must be voted upon by the Board of Directors.

Section 16. Parliamentary Procedure

Any question concerning parliamentary procedure at meetings shall be determined by the President by reference to Robert's Rules of Order.

Section 17. Resignation

Any Director may resign from office at any time by delivering a resignation in writing to the Board of Directors, and the acceptance of the resignation, unless required by its terms, shall not be necessary to make the resignation effective.

Section 18. Removal.

- a. Any active Director, Officer, or Agent of the Corporation may be removed by the Board whenever at a regular or special meeting with a quorum present, in the judgment of two-thirds (2/3) of the voting Directors, the interest of the Corporation will be served thereby.
- b. Each member of the Board of Directors must receive written notice of the proposed removal at least ten (10) days in advance of the proposed action. An officer who has been removed as a member of the Board of Directors shall automatically be removed from office.

ARTICLE VI. OFFICERS

- a. With the exception of treasurer, the officers of the Corporation shall be elected by the Board of Directors from their own number. The Treasurer shall be elected by ballot by the Board of Directors but need not be a member of the Board. The election shall be held at the first meeting of the Board of Directors after the Annual Meeting of the Corporation. There shall be a lapse of at least two (2) weeks between the Annual Meeting and the elections. All officers must have the status of active members of the Board.
- b. The officers shall serve for one (1) year or until their successors are elected, and their term of office shall begin at the close of the meeting at which they are elected.
- c. The officers of the Corporation shall be:

- i. President
 - ii. Vice President
 - iii. Recording Secretary
 - iv. Corresponding Secretary
 - v. Treasurer
- d. No member shall hold more than one (1) office at a time and no officer shall be eligible to serve more than two (2) consecutive terms in the same office. After a lapse of one (1) year a member may again serve two (2) consecutive terms in the same office.
 - e. Any vacancy in any office shall be filled by the Board of Directors for the unexpired term.
 - f. Any officer elected or appointed by the Board of Directors may be removed by a two-thirds (2/3) affirmative vote of the Board of Directors present at the meeting at which such action is taken. The notice of the meeting must contain a statement that such a vote will be taken.

Section 1. President

- a. The President shall preside at the Annual Meeting of the Corporation, the meetings of the Board of Directors and the Executive Committee
- b. The President shall prepare and present a report at the Annual Meeting of the Corporation.
- c. The President shall keep the Board of Directors fully informed of the operations of the Corporation.
- d. The President shall be a non-voting member of all committees except that he/she shall not be a member of the Nominating Committee.
- e. The President shall perform such other duties as are incident to the office or as are requested by the Board of Directors.
- f. The President shall see that all recommendations of the Advisory Board are brought to the Board.
- g. The President shall have general superintendence and direction of all other officers of this Corporation and see that their duties are properly performed.

Section 2. Vice-President

- a. The Vice-President shall be vested with all the powers and shall perform all the duties of the President during the absence of the latter.
- b. The Vice-President shall have the duty of chairing their perspective committee and such other duties as may, from time to time, be determined by the Board.

Section 3. Recording Secretary

- a. The Recording Secretary shall enter into the proper books all resolutions and proceedings of the meetings of the Corporation and the Board of Directors.
- b. The Secretary shall attend all meetings of the Board and of the Executive Committee, and all meetings of members, and assisted by a staff member, will act as a clerk thereof.
- c. The Recording Secretary, assisted by a staff member, he/she shall send notices of all meetings to the members of the Board and shall take reservations for the meetings.

Section 4. Corresponding Secretary

- a. The Corresponding Secretary shall conduct all general correspondence relating to the Corporation, shall issue all notices of meetings.
- b. The Corresponding Secretary shall perform all official correspondence from the Board as may be prescribed by the Board or the President.

Section 4. Treasurer

- a. As per Article IV. Subsection A, the Treasurer shall be elected by ballot by the Board of Directors but need not be a member of the Board.
- b. The Treasurer shall be responsible for the receipt and disbursement of all funds of the Corporation. The Treasurer shall submit to the Board of Directors at each meeting a statement of the financial condition of the Corporation and its' operations. The Treasurer shall sign checks of the Corporation. The books shall be audited by a CPA at the end of each fiscal year.
- c. The Treasurer may, with the approval of the Board of Directors, appoint an Assistant Treasurer (who must be a member in good standing) to be responsible for all the duties of the Treasurer.
- d. The Treasurer shall submit for the Finance Committee approval of all proposed capital expenditures (equipment and furniture), by the Corporation.
- e. The Treasurer shall present a complete and accurate report of the finances raised by the Board at each meeting of the members, or at any other time upon request to the Board.
- f. The Treasurer shall have the right of inspection of the funds resting with the Corporation including budgets and subsequent audit reports.
- g. The Treasurer shall assist in direct audits of the funds of the Corporation according to funding source guidelines and generally accepted accounting principles.
- h. The Treasurer shall perform such other duties as may be prescribed by the Board or the President under whose supervision he/she shall be.

Section 5. Removal of Officer

The Board with the concurrence of three-quarters (3/4) of the members voting at the meeting may remove any officer of the Board of Directors and elect a successor for the unexpired term. No officer of the Board of Directors shall be expelled without an opportunity to be heard and notice of such motion of expulsion shall be given to the member in writing twenty (20) days prior to the meeting at which motion shall be presented, setting forth the reasons of the Board for such expulsion.

Section 6. Delegation

In case of the absence of any Officer of the Corporation, or for any other reason that the Board may deem sufficient, the Board may at any time and from time-to-time delegate all or any part of the powers or duties of any Officer to any other Officer or to any Director or Directors.

Section 7. Resignation

Any Officer may resign his or her office at any time, such resignation to be made in writing and to take effect immediately without acceptance by the Corporation.

Section 8. Vacancies

The Nominating Committee shall also be responsible for nominating persons to fill vacancies which occur between annual meetings, including those of officers. Nominations shall be sent in writing to members of the Board at least two (2) weeks prior to the next meeting at which the election will be held. The persons so elected shall hold membership or office for the unexpired term in respect of which such vacancy occurred.

ARTICLE VII. COMMITTEES

Section 1. Committee Formation

The Board may create committees as needed, such as fundraising, housing, public relations, data collection, etc. The Board chair appoints all committee chairs.

The following committees shall be known as Standing Committees:

Section 2. Executive Committee

The five officers, the Executive Director, and the Chairman of the Advisory Board or his/her representative serve as the members of the Executive Committee. Except for the power to amend the Articles of Incorporation and Bylaws, the Executive Committee shall have all the powers and authority of the Board of Directors in the intervals between meetings of the Board of Directors, and is subject to the direction and control of the full Board. The Executive Committee shall have general supervision of the affairs of the Corporation between the meetings of the Board of Directors. The Executive Committee shall prepare the agenda for meetings of the Board of Directors and the Annual Meeting.

Section 3. Finance Committee

The Finance Committee is responsible for developing and reviewing fiscal procedures, fundraising plans, and the annual budget with staff and other Board members. The Treasurer is the chair of the Finance Committee, which includes the Executive Director and such other Board members as may be desirable and shall prepare annually a budget for the Corporation and its operations. The Board must approve the budget and all expenditures must be within budget. Any major change in the budget must be approved by the Board or the Executive Committee. The fiscal year shall be the calendar year. Annual reports are required to be submitted to the Board showing income, expenditures, and pending income. The financial records of the organization are public information and shall be made available to the membership, Board members, and the public.

Section 4. Nominating Committee

The Nominating Committee shall nominate officers of the Corporation and new members for the Board of Directors. The Nominating Committee shall be composed of at least one (1) member of the Board of Directors. The Nominating Committee will be charged with presenting the new slate of Board members at the April Board meeting. The Nomination Committee will be charged with presenting the Officers for election at the June Board meeting.

Section 5. Membership Committee

The Membership Committee shall be composed of at least one (1) member of the Board of

Directors and others as appointed by the Board of Directors, and shall maintain a record of members, establish rules of membership and propose membership dues for approval by the Board of Directors.

Section 6. Other Committees

There shall be such other committees as the Executive Committee shall deem proper and expedient the chairperson and membership of which shall be named by the President; the expiration of their term of office to coincide with that of the President's, subject, however, to reappointment by the incoming President for a similar term.

Section 7. Members-at-Large Committee Members

The Standing or Other Committees can, and are encouraged to, appoint members-at-large to sit on their respective committees. The number of members-at-large to serve on any committee will be set at the discretion of each individual committee. The member-at-large may serve on a committee at a minimum of one year and may serve as long as they shall desire after the minimum term, though the Committee may seek to replace any member-at-large as necessary. A member-at-large may be the spouse of a Board member.

ARTICLE VIII. EXECUTION OF INSTRUMENTS

The members of the Board of Directors at regular or special meetings shall by resolution from time to time designate the President and/or Recording Secretary and such other officers to have the authority to execute any and all instruments on behalf of the Corporation. In the absence of such special designation, the President and the Recording Secretary shall be the authorized signatory to document involving the Corporation.

ARTICLE IX. CORPORATE STAFF

Section 1: Executive Director

- a. The Board of Directors, upon recommendation of the Personnel Committee, shall hire an Executive Director to hold office at the pleasure of the Board. This position will operate Quiet Valley Living Historical Farm and shall oversee the hiring and dismissal of employees as provided by budget approval of expense incurred. The Executive Director shall be expected to attend all Board meetings and may attend meetings of the committees of the Board as requested by the chairman of the committee. In all cases, the Executive Director shall have no vote therein.
- b. The Executive Director shall have immediate and overall supervision of the operations of the Corporation, and shall direct the day-to-day business of the Corporation, maintain the properties of the Corporation, hire, discharge, and determine the salaries and other compensation of all staff members under the Executive Director's supervision, and perform such additional duties as may be directed by the Executive Committee or the Board of Directors. No officer, Executive Committee member or member of the Board of Directors may individually instruct the Executive Director or any other employee. The Executive Director shall make such reports at the Board and Executive Committee

meetings as shall be required by the President or the Board. The Executive Director shall be an ad-hoc member of all committees.

- c. The Executive Director may not be related by blood or marriage/domestic partnership within the second degree of consanguinity or affinity to any member of the Board of Directors or Advisory Council. The Executive Director may be hired at any meeting of the Board of Directors by a majority vote and shall serve until removed by the Board of Directors upon an affirmative vote of three-quarters (3/4) of the members present at any meeting of the Board Directors. Such removal may be with or without cause. Nothing herein shall confer any compensation or other rights on any Executive Director, who shall remain an employee terminable at will, as provided in this Section.

Section 2. Other Staff

All other staff shall be supervised by and accountable to the Director.

Section 3. Hiring Policies

Hiring shall be conducted in full compliance with the Corporation's anti-discrimination policy. The Corporation shall hire no full-time, salaried employees who are members of the immediate family (spouse, grandparent, parent, brother or sister, son or daughter) of any Board member, or of any person who will supervise the employee.

ARTICLE X. Finances

Section 1. Fiscal Year

The Board shall establish the Corporation's fiscal year.

Section 2. Budget

The Board of Directors shall prepare and adopt a budget for the upcoming year by December of the current year.

Section 3. Annual Financial Statement

The Corporation shall prepare an annual financial statement for distribution to Board members.

Section 4. Fiscal Policy

The Board shall adopt and from time to time review a fiscal policy setting out a formal procedure that shall govern internal controls, the signing of checks; the obligation of funds; approval of contracts, leases, deeds, and mortgages; and other significant aspects of the organization's fiscal operation. The fiscal policy shall assure that the Corporation shall have sound financial controls that are appropriate, under generally accepted accounting principles, to its size and purpose.

Section 5. Seal

The Corporation will not use a common seal. The signature of the name of the Corporation by an authorized person shall be legal and binding.

ARTICLE XI. Conflict-of-Interest and Compensation

Section 1: Purpose

The purpose of the conflict-of-interest policy is to protect this tax-exempt Corporation's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or Director of the Corporation or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict-of-interest applicable to nonprofit and charitable organizations.

Section 2: Definitions

- a. Interested Person
Any Director, principal officer, or member of a committee with governing Board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person.
- b. Financial Interest
A person has a financial interest if the person has, directly or indirectly, through business, investment, or family:
 - 1. An ownership or investment interest in any entity with which the Corporation has a transaction or arrangement,
 - 2. A compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement, or
 - 3. A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement.

Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial.

A financial interest is not necessarily a conflict-of-interest. A person who has a financial interest may have a conflict-of-interest only if the appropriate governing Board or committee decides that a conflict-of-interest exists.

Section 3. Procedures

- a. Duty to Disclose. In connection with any actual or possible conflict-of-interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the Directors and members of committees with governing Board delegated powers considering the proposed transaction or arrangement.
- b. Determining Whether a Conflict-of-Interest Exists. After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing Board or committee meeting while the determination of a conflict of interest is discussed and voted upon. The remaining Board or committee members shall decide if a conflict-of-interest exists.

- c. Procedures for Addressing the Conflict-of-Interest
 - 1. An interested person may make a presentation at the governing Board or committee meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict-of-interest.
 - 2. The chairperson of the governing Board or committee shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
 - 3. After exercising due diligence, the governing Board or committee shall determine whether the Corporation can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
 - 4. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict-of-interest, the governing Board or committee shall determine by a majority vote of the disinterested Directors whether the transaction or arrangement is in the Corporation's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, it shall make its decision as to whether to enter into the transaction or arrangement.
- d. Violations of the Conflicts-of-Interest Policy
 - 1. If the governing Board or committee has reasonable cause to believe a member has failed to disclose actual or possible conflicts-of-interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
 - 2. If, after hearing the member's response and after making further investigation as warranted by the circumstances, the governing Board or committee determines the member has failed to disclose an actual or possible conflict-of-interest, it shall take appropriate disciplinary and corrective action.

Section 4. Records of Proceedings

The minutes of the governing Board and all committees with Board delegated powers shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a financial interest in connection with an actual or possible conflict-of-interest, the nature of the financial interest, any action taken to determine whether a conflict-of-interest was present, and the governing Board's or committee's decision as to whether a conflict-of-interest in fact existed.
- b. The names of the persons who were present for discussions and votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or arrangement, and a record of any votes taken in connection with the proceedings.

Section 5. Compensation

- a. A voting member of the governing Board who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.

- b. A voting member of any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation for services is precluded from voting on matters pertaining to that member's compensation.
- c. No voting member of the governing Board or any committee whose jurisdiction includes compensation matters and who receives compensation, directly or indirectly, from the Corporation, either individually or collectively, is prohibited from providing information to any committee regarding compensation.

Section 6. Annual Statements

Each Director, principal officer and member of a committee with governing Board delegated powers shall annually sign a statement which affirms such person:

- a. Has received a copy of the conflicts-of-interest policy,
- b. Has read and understands the policy,
- c. Has agreed to comply with the policy, and
- d. Understands the Corporation is charitable and in order to maintain its federal tax exemption it must engage primarily in activities which accomplish one or more of its tax-exempt purposes.

Section 7. Periodic Reviews

To ensure the Organization operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- a. Whether compensation arrangements and benefits are reasonable, based on competent survey information, and the result of arm's length bargaining.
- b. Whether partnerships, joint ventures, and arrangements with management organizations conform to the Corporation's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

Section 8. Use of Outside Experts

When conducting the periodic reviews, the Corporation may, but need not, use outside advisors. If outside experts are used, their use shall not relieve the governing Board of its responsibility for ensuring periodic reviews are conducted.

ARTICLE XII. IDEMNIFICATION

Section 1. General

To the full extent authorized under the laws of the Commonwealth of Pennsylvania, the Corporation shall indemnify any Director, officer, employee, or agent, or former member, Director, officer, employee, or agent of the Corporation, or any person who may have served at the Corporation's request as a Director or officer of another Corporation (each of the foregoing members, Directors, officers, employees, agents, and persons is referred to in this Article individually as an "indemnitee"), against expenses actually and necessarily incurred by such indemnitee in connection with the defense of any action, suit, or proceeding in which that indemnitee is made a party by reason of being or having been such member, Director, officer, employee, or agent, except in relation to matters as to which that indemnitee shall have been

adjudged in such action, suit, or proceeding to be liable for negligence or misconduct in the performance of a duty. The foregoing indemnification shall not be deemed exclusive of any other rights to which an indemnitee may be entitled under any bylaw, agreement, resolution of the Board of Directors, or otherwise.

Section 2. Expenses

Expenses (including reasonable attorneys' fees) incurred in defending a civil or criminal action, suit, or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit, or proceeding, if authorized by the Board of Directors, upon receipt of an undertaking by or on behalf of the indemnitee to repay such amount if it shall ultimately be determined that such indemnitee is not entitled to be indemnified hereunder.

Section 3. Insurance

The Corporation may purchase and maintain insurance on behalf of any person who is or was a member, Director, officer, employee, or agent against any liability asserted against such person and incurred by such person in any such capacity or arising out of such person's status as such, whether or not the Corporation would have the power or obligation to indemnify such person against such liability under this Article.

Section 4. Limitation of Directors' Liability

No Director shall be personally liable for monetary damages as such for any action taken or any failure to take any action unless (a) the Director has breached or failed to perform the duties of his or her office under Section 8363 of the Pennsylvania Directors' Liability Act (relating to standard of care and justifiable reliance), and (b) the breach or failure to perform constitutes self-dealing, willful misconduct, or recklessness; provided, however, that the provisions of this Section shall not apply to the responsibility or liability of a Director pursuant to any criminal statute, or to the liability of a Director the payment of taxes pursuant to local, state, or federal law.

Section 5. Indemnification and Insurance

(a) Indemnification of Directors and Officers.

- (i) Each Indemnity (as defined below) shall be indemnified and held harmless by the Corporation for all actions taken by him or her and for all failures to take action to the fullest extent permitted by Pennsylvania law against all expense, liability and loss (including without limitation attorneys' fees, judgments, fines, taxes, penalties, and amounts paid or to be paid in settlement) reasonably incurred or suffered by the Indemnity in connection with any proceeding (as defined below). No indemnification pursuant to this Section shall be made however, in any case where the act or failure to act giving rise to the claim for indemnification is determined by a court to have constituted willful misconduct or recklessness.
- (ii) The right to indemnification provided in this Section shall include the right to have the expenses incurred by the Indemnity in defending any proceeding paid by the Corporation in advance of the final disposition of the proceeding to the fullest extent permitted by Pennsylvania law, provided that, if Pennsylvania law

continues so to require, the payment of such expenses incurred by the Indemnity in advance of the final disposition of a proceeding shall be made only upon delivery to the Corporation of an undertaking, by or on behalf of the Indemnity, to repay all amounts so advanced without interest if it shall ultimately be determined that the Indemnity is not entitled to be indemnified under this Section or otherwise.

- (iii) Indemnification pursuant to this Section shall continue as to an Indemnity who has ceased to be a Director or officer and shall inure the benefit of his or her heirs, executors and administrators.
- (v) For purposes of this Article XII, (A) "Indemnity" shall mean each Director or officer of the Corporation who was or is a party to, or is threatened to be made a party to, or is otherwise involved in, any proceeding, by reason of the fact that he or she is or was a Director or officer of the Corporation or is or was serving in any capacity at the request or for the benefit of the Corporation as a Director, officer, employee, agent, partner, or fiduciary of, or in any other capacity for, another corporation or any partnership, joint venture, trust, employee benefit plan, or other enterprise; and (B) "Proceeding" shall mean any threatened, pending or completed action, suit or proceeding (including without limitation an action, suit or proceeding by or in the right of the Corporation), whether civil, criminal, administrative or investigative.
- (b) Indemnification of Employees and Other Persons. The Corporation may, by action of its Board of Directors and to the extent provided in such action, indemnify employees and other persons as though they were Indemnities.
- (c) Non-Exclusivity of Rights. The rights to indemnification and to the advancement of expenses provided in this Article XII shall not be exclusive of any other rights that any person may have or hereafter acquire under any statute provision of the Corporation's Articles of Incorporation or By-laws, agreement, vote of Directors, or otherwise.
- (d) Insurance. The Corporation may purchase and maintain insurance, at its expense, for the benefit of any person on behalf of whom insurance is permitted to be purchased by Pennsylvania law against any expense, liability or loss, whether or not the Corporation would have the power to indemnify such person under Pennsylvania or other law. The Corporation may also purchase and maintain insurance to insure its indemnification obligations whether arising hereunder or otherwise.
- (e) Fund for Payment of Expenses. The Corporation may create a fund of any nature, which may, but need not be, under the control of a trustee, or otherwise may secure in any manner its indemnification obligations, whether arising hereunder, under the Articles of Incorporation, by agreement, vote of Directors, or otherwise.

Section 6. Amendment

The provisions of this Article XII relating to the limitation of Directors' liability, to indemnification and to the advancement of expenses shall constitute a contract between the Corporation and each of its Directors and officers which may be modified as to any Director or officer only with that persons' consent or as specifically provided in the following sentence. Notwithstanding any other provision of these bylaws relative to their amendment generally, any

repeal or amendment of this Article XII which is adverse to any Director or officer shall apply to such Director or officer only on a prospective basis, and shall not reduce any limitation on the personal liability of a Director of the Corporation or limit the rights of an Indemnity to indemnification or to the advancement of expenses with respect to any action or failure to act occurring prior to the time of such repeal or amendment.

Section 7. Changes in Pennsylvania Law

References in this Article XII to Pennsylvania law or to any provision thereof shall be to such law (including without limitation the Directors' Liability Act) as it existed on April 8, 1987, or as such law thereafter may be changed; provided that (a) in the case of any change which expands the liability of Directors or limits the indemnification rights or the rights to advancement of expenses which the Corporation may provide, the rights to limited liability, to indemnification and to the advancement of expenses provided in this Article XII shall continue as theretofore to the extent permitted by law; and (b) if such change permits the Company without the requirement of any further action by shareholders or Directors to limit further the liability of Directors (or limit the liability of officers) or to provide broader indemnification rights to the advancement of expenses than the Corporation was permitted to provide prior to such change, then liability thereupon shall be so limited and the rights to indemnification and the advancement of expenses shall be so broadened to the extent permitted by law.

ARTICLE XIII. BOOKS AND RECORDS

The Corporation shall keep complete books and records of account and minutes of the proceedings of the Board of Directors. The retention of Corporation books and records shall abide by the instructions outlined in the most current QVLHF Retention Policy.

ARTICLE XIV. AMENDMENTS

Section 1. Articles of Incorporation

The Articles may be amended in any manner at any regular or special meeting of the Board of Directors, provided that specific written notice of the proposed amendment of the Articles setting forth the proposed amendment or a summary of the changes to be affected thereby shall be given to each Director at least three (3) days in advance of such a meeting if delivered personally, by facsimile, or by e-mail or at least five (5) days if delivered by mail. Any amendment of the Articles shall require the affirmative vote of all Directors then in office. All other amendments of the Articles shall require the affirmative vote of an absolute majority of Directors then in office.

Section 2. By-laws

The Board of Directors may amend these By-laws by majority vote at any regular or special meeting. Written notice setting forth the proposed amendment or summary of the changes to be effected thereby shall be given to each Director within the time and the manner provided for the giving of notice of meetings of Directors.

ARTICLE XV. Dissolution

Upon dissolution of the Corporation or the winding up of its affairs, the assets of the Corporation shall be distributed exclusively to charitable, religious, scientific, testing for public safety, literary,

or educational organizations which would then qualify under the provisions of Section 501(c)(3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended. No Director or officer of the Corporation, or any private individual shall be entitled to share in the distribution of any of the corporate assets on dissolution of the Corporation.

ARTICLE XVI. Statement of Nondiscrimination

The Corporation shall not discriminate against any person in the hiring of personnel, the election of Board members, provision of service to the public, the contracting for or purchasing of services, or in any other way, on the basis of race, color, sex, national origin, disabling condition, age, or any other basis prohibited by law. This policy against discrimination includes, but is not limited to, a commitment to full compliance with Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973, and the Age Discrimination Act of 1975, and any subsequent amendments to these statutes.

ADOPTION OF BYLAWS

We, the undersigned, are all of the initial Directors or incorporators of this Corporation, and we consent to, and hereby do, adopt the foregoing Bylaws, consisting of the 19 preceding pages, as the By-laws of this Corporation.

ADOPTED AND APPROVED by the Board of Directors on this 16th day of May, 2022.

Chris McMahon, President—QVLHF Board of Directors

ATTEST: Tina Matauic, Recording Secretary—QVLHF Board of Directors